HIE Governance for Arkansas

Key State-level Roles and Functions
Strategic and Operational Considerations

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Today's Objectives

1. Foster a common knowledge base among Governance Work Group members and other key stakeholders to inform the work at hand

2. Frame options and issues to be addressed by the Work Group in developing recommendations as part of the Statewide HIE Plan.

Agenda

1. **Context: Why is HIE Important for Arkansas?**
   - **The value proposition**

2. **Fundamentals: Understanding Governance**
   - **Key roles, functions (the work)**

3. **Establishing Arkansas Governance: Options, Issues**
   - **Lessons from the Field**
     - Prevailing models, approaches
     - Pros, cons
   - **Arkansas Considerations**
     - Input to date
     - Questions to be addressed

Why HIE is Important – The Big Picture

- **Fragmentation, lack of information drives health care system deficiencies, costs**
  - Efficiency
  - Safety
  - Quality
  - Access
  - (Lack of) patient centeredness

- **Improved information will improve health, transform health care**
  - Health promotion
  - Clinical decision making
  - Care delivery//patterns of utilization/efficiencies
  - Diffusion of best practices
  - Costs/affordability

- **Widespread HIE will improve the quality and availability of health information**

Making the Case

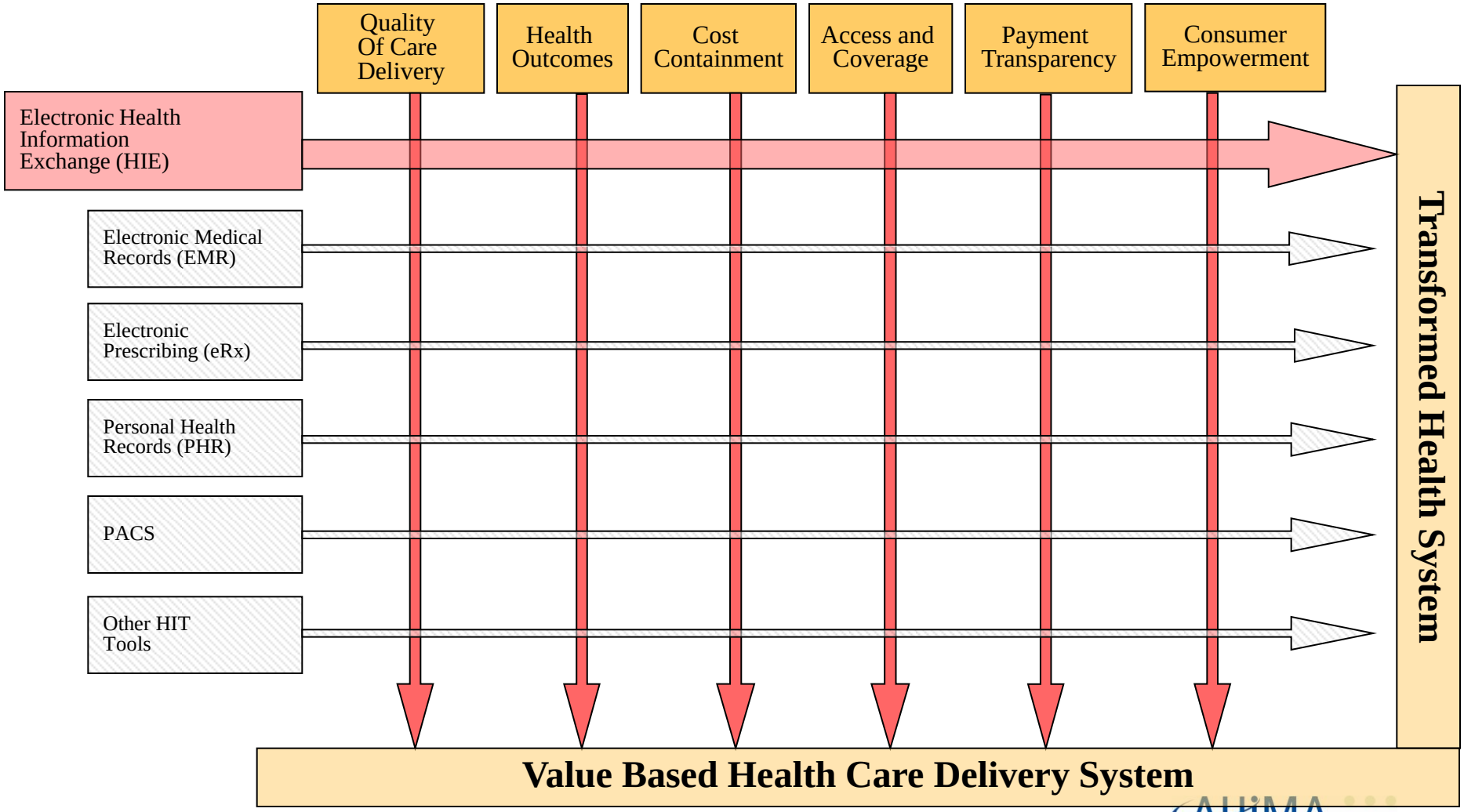
- **A complete patient record important for high quality care**
  - Supporting recognition of relationships between symptoms and conditions
  - Integrating new treatments into current care plan
  - Providing timely follow-up care to ensure speedy recovery

- **Patients access the healthcare system often and at many different settings**
  - On average ~4.0 medical visits per person per year
  - Only ~45% of visits are to primary care, remainder is distributed across different care settings (ERs, specialists, in-patient visits, out-patient departments etc)
  - Typically sicker patients with more complex records access the delivery system more frequently

Even with Electronic Medical Records….

- We currently lack effective means to transfer medically relevant information across most settings
- Providers are forced to either recreate information, act with incomplete information or try to create an Exchange through one-off connectivity
- Lack of adequate, timely information supports results in duplication of work, greater potential for ineffective care, inappropriate care and medical error, cost of putting one-off connectivity in place

HIT and HIE: Tools to Improve and Transform Healthcare



HIE for Broad Social Benefit

Principles at Stake

- **Building HIE to scale and effectiveness is a matter of equity and economics**
  - HIE impacts the health and healthcare quality and cost-effectiveness for *all* individuals and populations.
  - The benefits of HIE accrue differently for individual stakeholders, but realizing optimal benefits that achieve health care reform goals requires widespread data sharing capacity across all stakeholders.
  - Building and maintaining the capacity for widespread HIE is a collective effort. No one community, provider, or corporate-based HIE effort commits to or invests in building capacity to this scale.

Widespread Interoperability ("HIE") a Nationwide Strategic Priority

- **HIE Key to vision for a transformed health system**
  - Clinician integration of HIT/EHR into the care delivery process
  - Broad infrastructure supports required to enable information availability wherever it's needed for individual and population health

- **HITECH/ONC Requirements and Programs – Toward "Meaningful Use" of HIT**
  - Technical infrastructure supporting statewide and nationwide HIE
  - Provider adoption (Regional Extension Centers)
  - Prioritized implementation of value-added (statewide)HIE services
    - Eligibility/claims transactions
    - Prescribing/refills, prescription fill/medication history
    - Lab ordering/results
    - Public health and quality reporting
    - Clinical summary exchange/care coordination and pt engagement

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The Challenge – Integrating HIE as part of health care infrastructure

- **Realizing the Statewide HIE value proposition through a viable business model**
  - Justifying capital investments to build capacity
  - Achieving participation to scale
  - Quantifying contributions/mechanisms for sustainable revenue
  - Structuring support for effective ongoing statewide governance functions

Making the Case for Statewide HIE - Examples of State Approaches

- Published valuation studies
- Statewide data, analytics
- Application assumptions relative to state characteristics, data
- Assess impacts from missing information at point of care, quantifiable benefits from HIE services
- Identify relative ROI across stakeholders

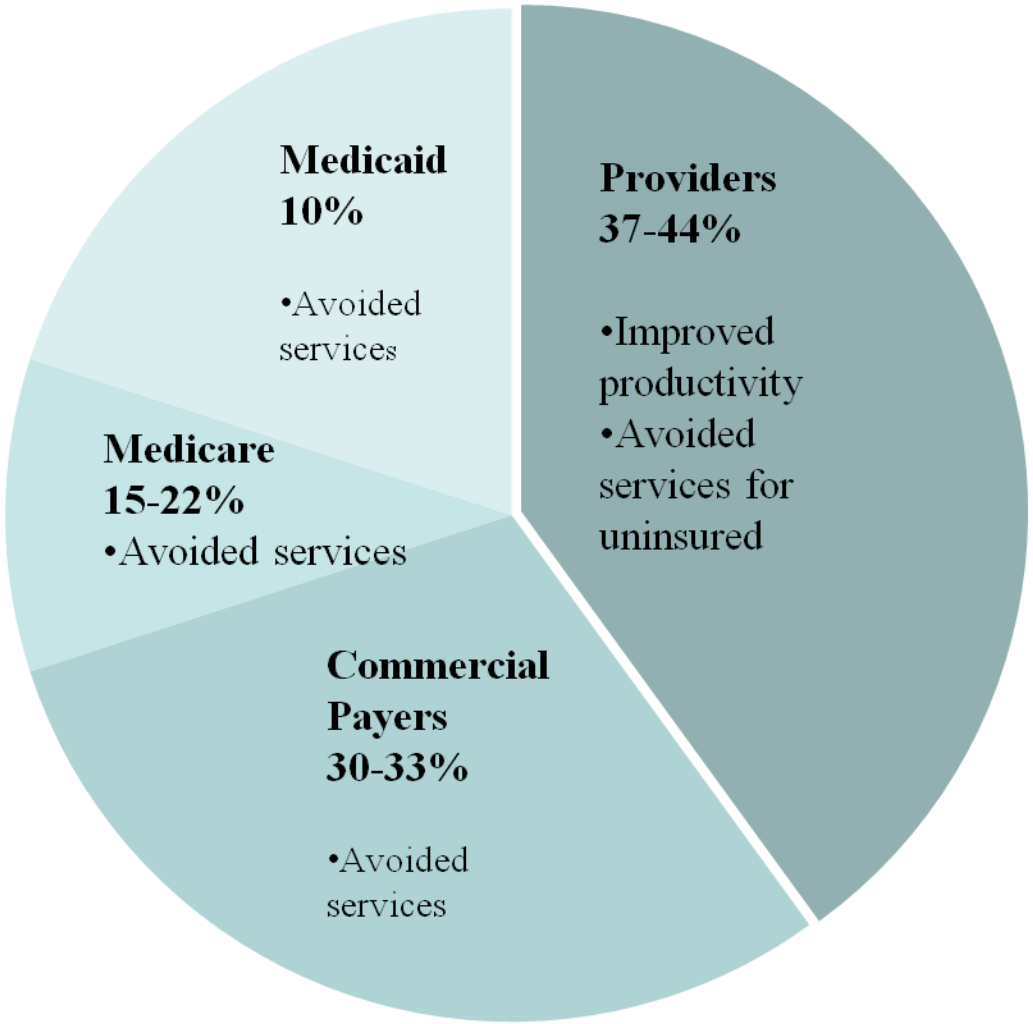
Maine Valuation Study (pre-ARRA)

Sources of savings:

Avoided laboratory testing, avoided imaging studies, provider productivity improvements

Demonstration Project Estimates of Annual Savings	
Phase 1 (2009)	$10.6 - $12.5 million
Phase 2 (2010)	$13.2 - $15.6 million
Phase 3 (2011)	$17.2 - $20 million
Statewide rollout estimate	$40 - $52 million

Distribution of Savings Across Stakeholders**



** Doesn't include:
- Potential savings from additional services not in pilot e.g. eRX, Secure messaging, Medical home services
- Out of pocket savings to consumers from co-pays, etc

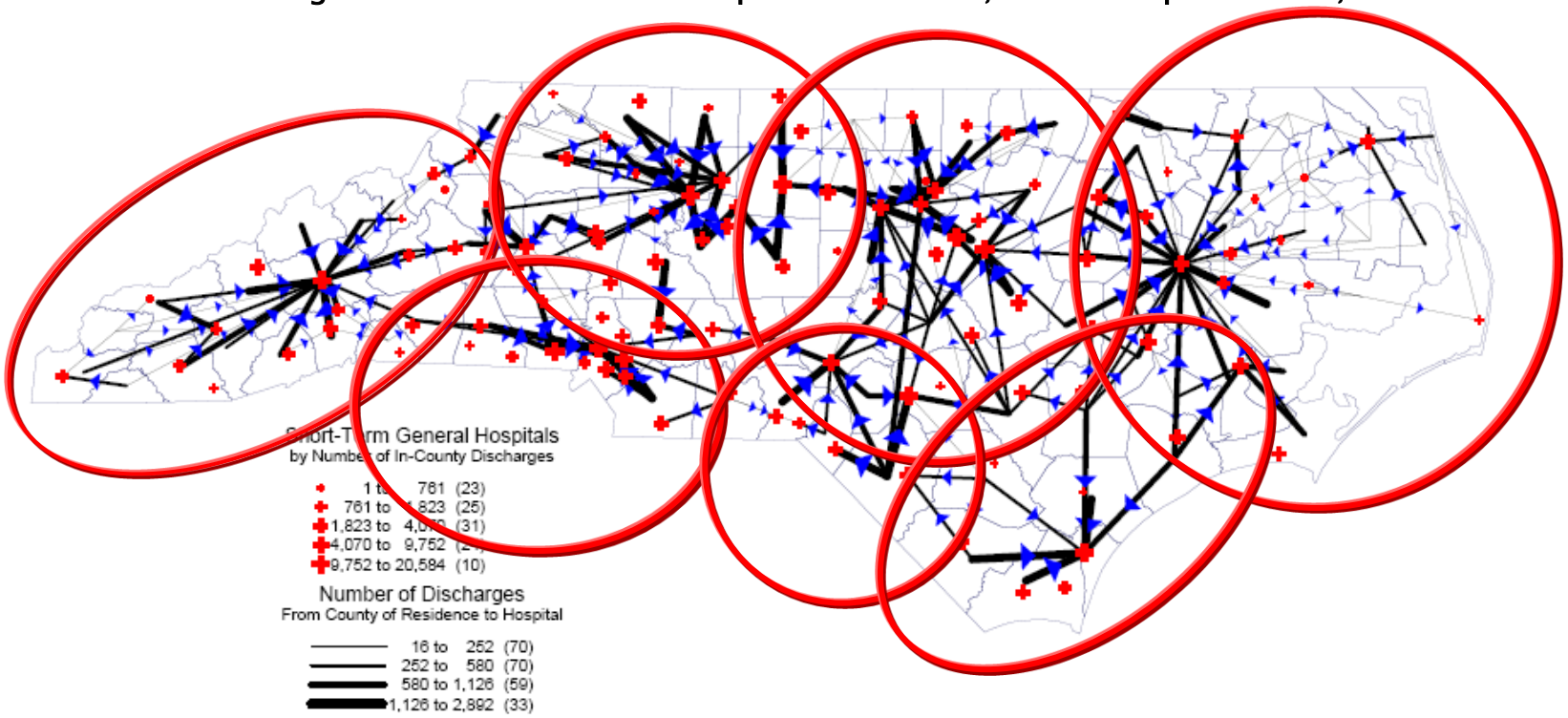
New Mexico Analysis - Savings to Stakeholders

- Derived from national study
  - *Value of HIE Networks and Interoperability* (CITL 2003)
  - Assumes a high level of interoperability, so we took only 10% of projected savings for each year
  - Savings extrapolated to New Mexico based on annual health care expenditures
  - Annual savings/cost avoidance to New Mexico: $43.9 M
  - Annual savings/cost avoidance to NM Payers: $11.9 M
- Derived from local data
  - Savings from lab tests due to HIE network will be approximately $6 M per year

Patient Origin for North Carolina Residents and Hospitals

Inpatient Discharges by County of Residence and Hospital

Residents Discharged from North Carolina Hospitals: October 1, 2005 to September 30, 2006

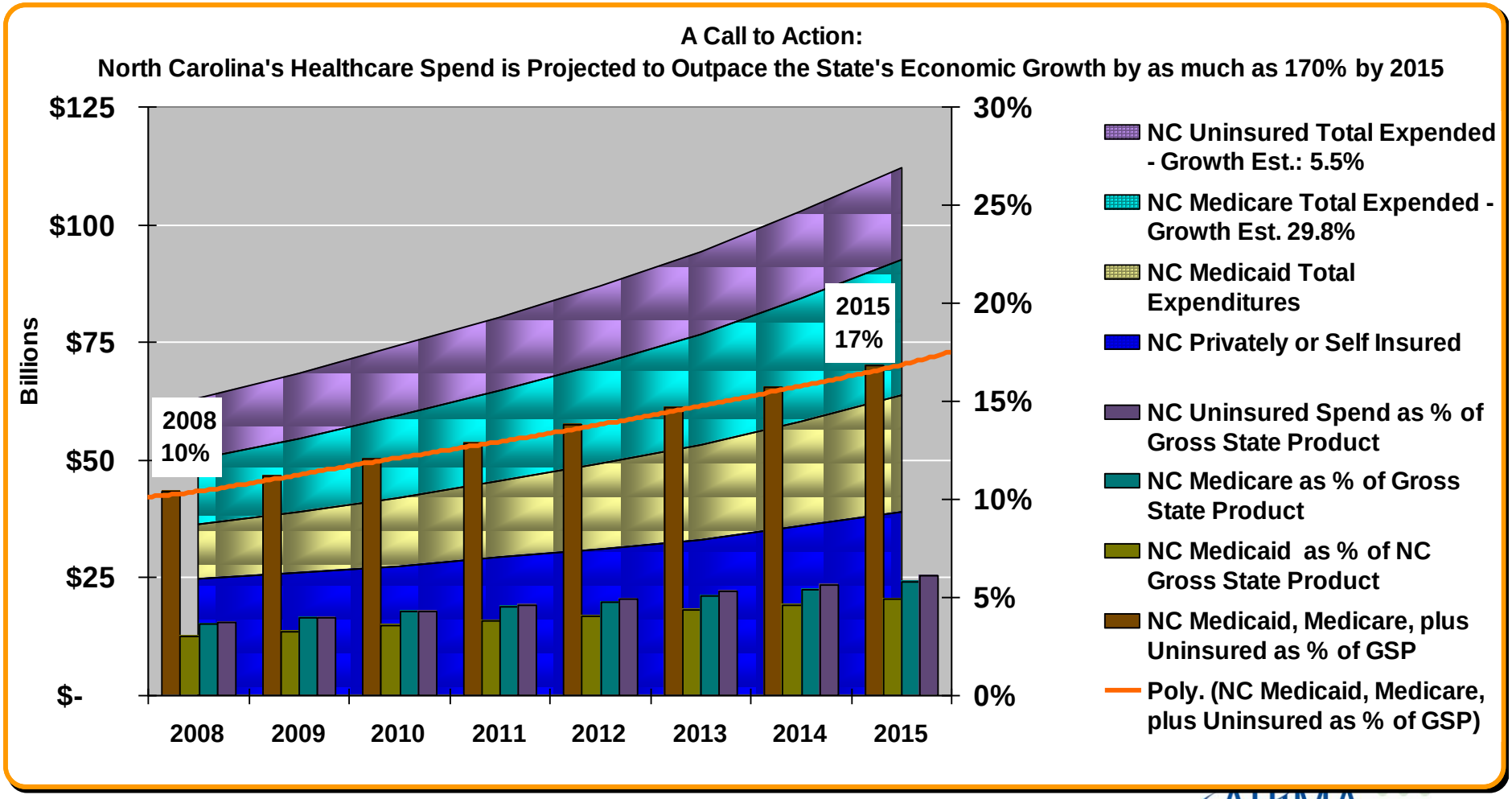


Note: For any county vectors are only drawn for hospitals receiving at least five percent of the county's Discharges.
Discharges from Psychiatric, Rehabilitation, Long Term Care, and Substance Abuse Treatment Facilities are not included.
Normal newborn discharges (DRG 391) excluded.

Source: Thomson Healthcare North Carolina Hospital Discharge Data, Fiscal Year 2006.

Produced By: Cecil G. Sheps Center for Health Services Research, University of North Carolina at Chapel Hill.

A Call to Action: North Carolina's Healthcare Spend is Projected to Outpace Economic Growth by as much as 170% by 2015



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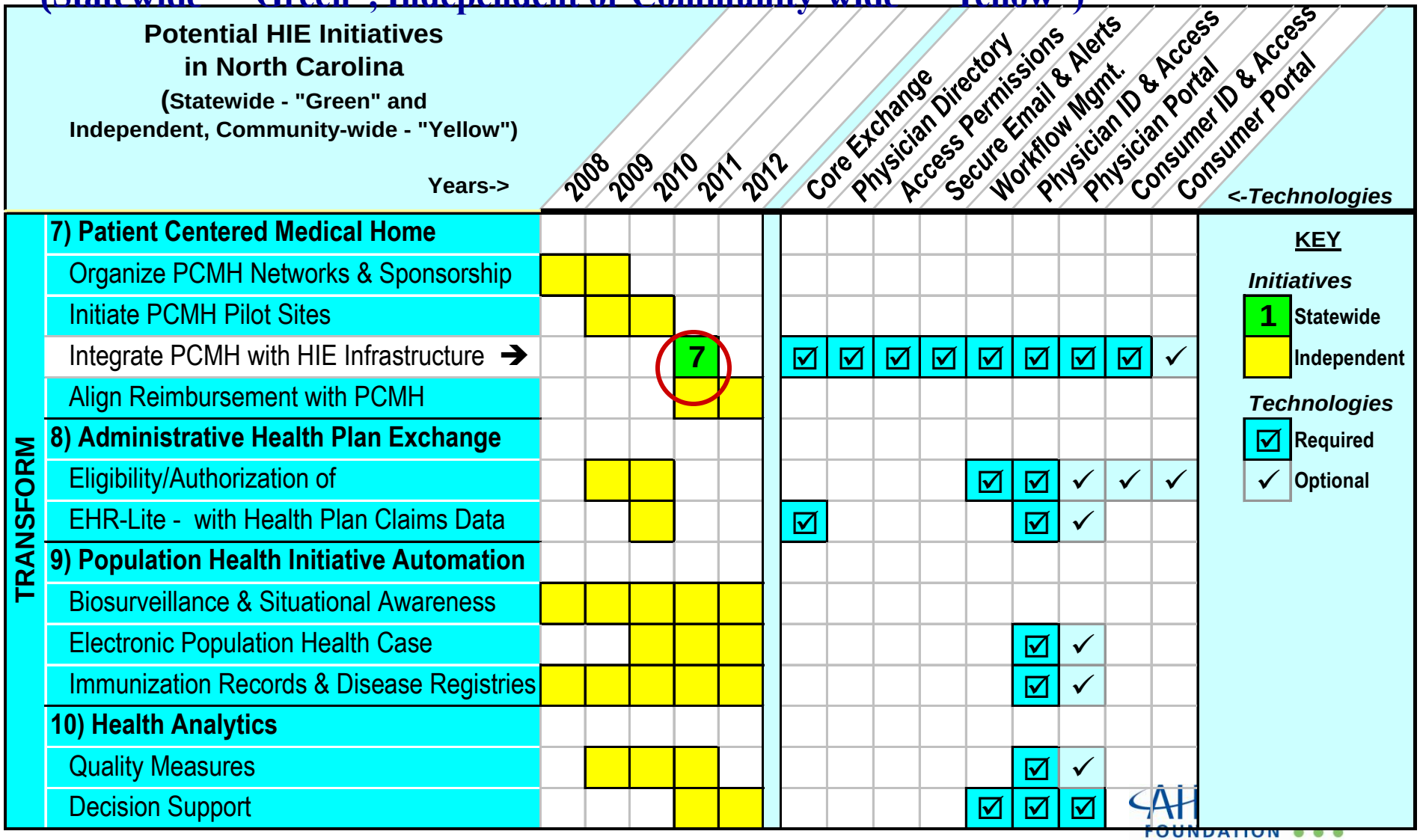
NCHICA NC HIE Assumptions

- **Quality Costs Less & HIE = Quality**
- **Minimize duplication of effort in deploying HIE statewide.**
- **Statewide collaboration on key HIE initiatives will increase the overall net value of HIE.**
- **Enterprise or community level HIEs solve local healthcare problems and provide "markets" for HIE solutions developed collaboratively.**
- **An "on-ramp" of clinician connectivity has impact on Business Plan**
- **HIE will utilize standards-based, non-proprietary approaches, and maintain hardware, software and even reimbursement system neutrality.**
- **To move beyond enterprise and community based HIE efforts, formal state-level authority needed.**
- **Benefits from HIE may not align with costs and therefore a re-balancing of costs and benefits will be necessary.**

North Carolina – Transforming Initiatives

Potential five year deployment and technology requirements (Statewide – "Green", Independent or Community-wide – "Yellow")



Beyond the Hypothetical – Delaware as Case Study

- **Defining statewide value for stakeholders**
  - Reliable, secure and available information
  - Support physicians regardless of their level of technology adoption
  - Manage need along the adoption curve
  - Critical mass and market forces
  - Eliminate current delivery methods

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DE - Enhancing the Value
Adding new functions and services

- eOrder Entry – Summer 2008
- Patient Record Search – Summer 2008
- Patient Portal – Summer 2008
- Medication History – Fall 2008
- Radiology Images – Spring 2009
- Care Coordination – Long Term Care – Spring 2009

DE - Planning for Long-Term Market Demand

2010-2011

- Chronic Disease Management
- Clinical Decision Support
- Benefit Eligibility and Claims Processing Enhanced
- Enhanced Public Health Reporting
  - Cancer Registry
  - Immunizations Registry
  - Birth Defects Registry
  - Trauma Registry
  - First Responders
  - Public Health Alerts
- Patient Portal
  - Review record history in DHIN
  - Securely communicate with practitioners

DE Financing Model: 3 Phases

- Phase I: Strategic Planning
  - AHRQ State and Regional Demonstration (FY05-10)
- Phase II: Capital Funding
  - State and Private Matching Funds (FY07-09)
    - Proportionate Share of the Cost
  - National Health Information Network (FY08)
- Phase III: Operations and Maintenance (FY10)
  - Fee/Subscription Model

DE - Principles of Sustainability Planning

- Those paying for the system will define the model
- Those who benefit must pay
- Payment should be proportionate to benefit
- Keep it simple

DE - Sustainability Modeling

- Define the Benefits
  - Saves Time
  - Saves Money
  - Improves Patient Care
- Quantify the Value
  - Hospitals, Labs, Radiology Facilities, etc.
  - Health Plans
  - Employers (ERISA)
- Provide Value Added Services
  - “EMR Lite”
  - Referrals and Consults
  - P4P Analytics

DE Sustainability Options

- Data Senders
  - Pay based on transaction volume
- Health Plans/ERISA Employers
  - PMPM and pay per use
- Physicians
  - Subscription fees for value add services

Back to the Big Picture – Achieving Sustainable Health Information/HIE Market Forces

- ONC and the Current HIE Marketplace
  - "Medicare and Medicaid meaningful use incentives are anticipated to create demand for products and services that enable HIE among eligible providers... . The resulting demand for HIE will likely be met by an increased supply of marketed products and services to enable HIE, resulting in a competitive marketplace for HIE services."

- HITECH and ONC Programs - Implications for States
  - ONC (and struggles to identify sustainable HIE financing) acknowledge that a viable market place for HIE doesn't currently exist.
  - Stakeholders must develop a governance, financing, policy and technical infrastructure that both supplies high-value HIE services and creates sustainable demand.

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ONC Blueprint for States and HIE Infrastructure State HIE Program, Regional Extension Centers

- **Key design "principles" specified**
  - Inherently public-private
  - Variability across states in meeting requirements
- **Necessary parts of infrastructure recognized e.g. domains**
  - Governance, finance, technical architecture, business and technical operations, legal and policy
- **State level governance and oversight framework required**
  - Convening for meaningful stakeholder engagement and consensus
  - Coordination for statewide planning, implementation, operations
  - Accountabilities and oversight structured

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Achieving HIE Value - Statewide HIE Governance is Key

- **A mechanism is needed to forge new, productive and sustainable levels of collaboration, consensus and coordinated approaches (HIE Governance) for achieving HIE at broad enough scale.**
  - Data sharing policies and practices have to accommodate various settings and capacities, yet be consistent and sound to ensure confidentiality protections and HIE credibility.
  - Health care interests have to figure out strategies to fund, maintain and use a shared network that delivers business value for individual interests but also serves social goals.
  - There are many practical issues and challenges to navigate among stakeholders to build consensus for incorporating HIE within the technology, policy, business and organizational health infrastructure.

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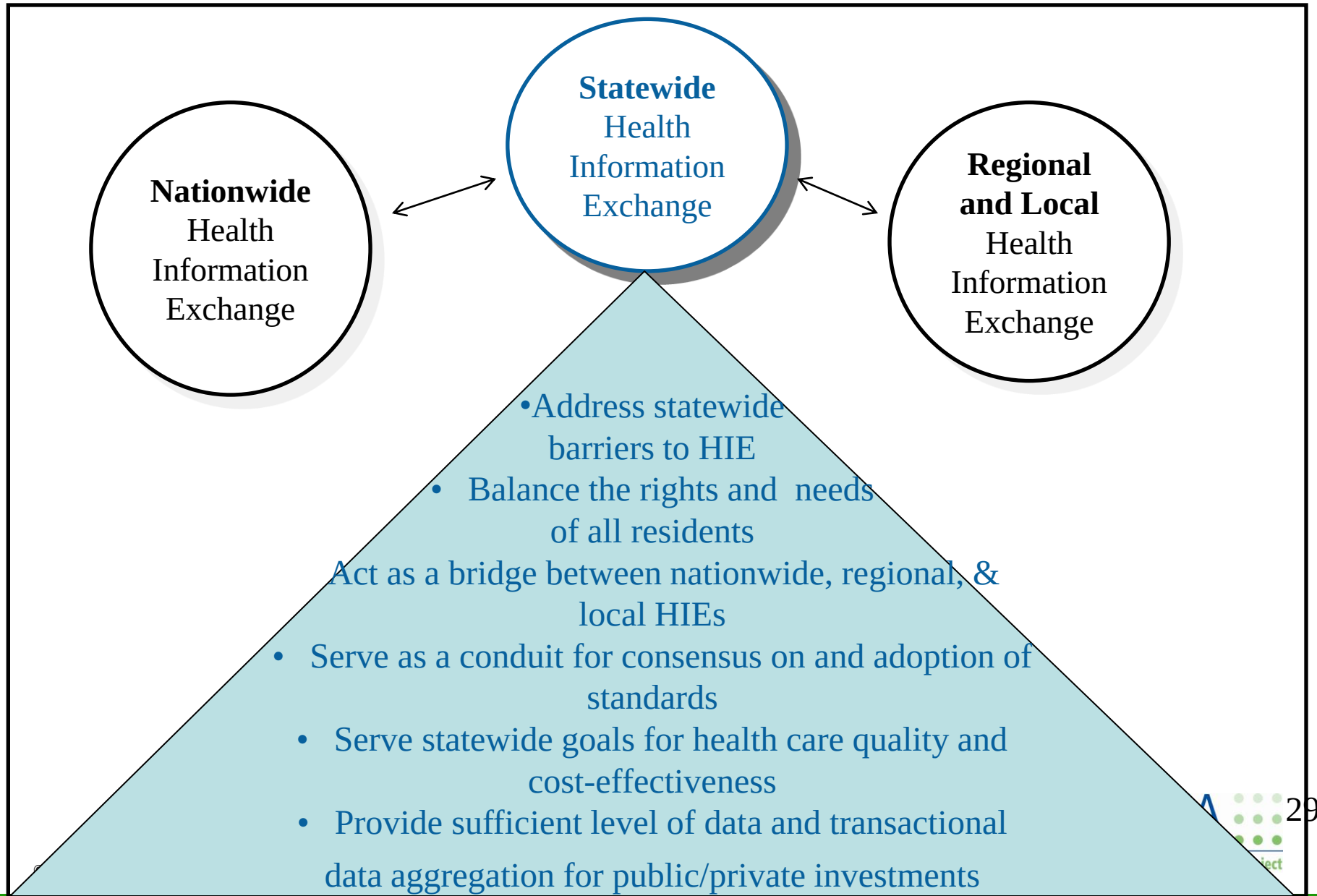
Statewide HIE Governance as Fulcrum



State level Collaborative Governance

A Positive "Disruptive" Influence

- **HIO/Entity serves as effective working collaborative**
  - Mechanism to foster negotiated self vs shared interests (shifting from competition to collaboration to make information available)

- **Plays new and distinct roles for achieving innovation**
  - Functions to effectively and efficiently broker resources
  - Interfaces with the marketplace to foster HIE services that are cost-effective in serving stakeholder interests and goals for health care quality, cost-effectiveness, preserving and protecting public health

- **Distinctly relates to local, state and federal health policy goals**
  - Addresses realities of local-regional-statewide health landscape
  - Links to federal agenda, standards dissemination, national level policy, technology and governance structures
  - Serves the interests of state government: all statewide residents, consumer protections, fiscal stewardship

Charting a Course for Arkansas
First set of strategic issues

- **Stakeholder consensus for a transformation "vision"**
  - Agreement in principle for role HIE will play to transform health care (social capital)

- **Agreement in principle on building statewide capacity**
  1. Providers/stakeholders pay for, implement EHRs; if they need interfaces to another "point" they build and maintain them

     OR

  2. Utility approach, a shared statewide network with multiple participants sharing interface costs and sustained operations.

Implications for Governance – Statewide HIE as a shared "utility"

- **HIE inherently a public-private partnership with multiple participants**
  - A collaborative governance structure is needed

- **Governance is linked to building and sustaining the right technology infrastructure**
  - Governance entity functions - negotiate the nature of statewide shared services and how they will be provided/supported
  - Governance structure balances roles for government, governance, technical operations

Putting Governance into Operation

- States face four common tasks:
  - Developing and sustaining stakeholder buy-in and participation
  - Coordinating efforts across stakeholders
  - Determining resource allocation including how federal stimulus and other funds will be managed
  - Defining mechanisms for accountability, related to ARRA and over the long term.

- States must take into account the most feasible ways that these tasks can be successfully accomplished.

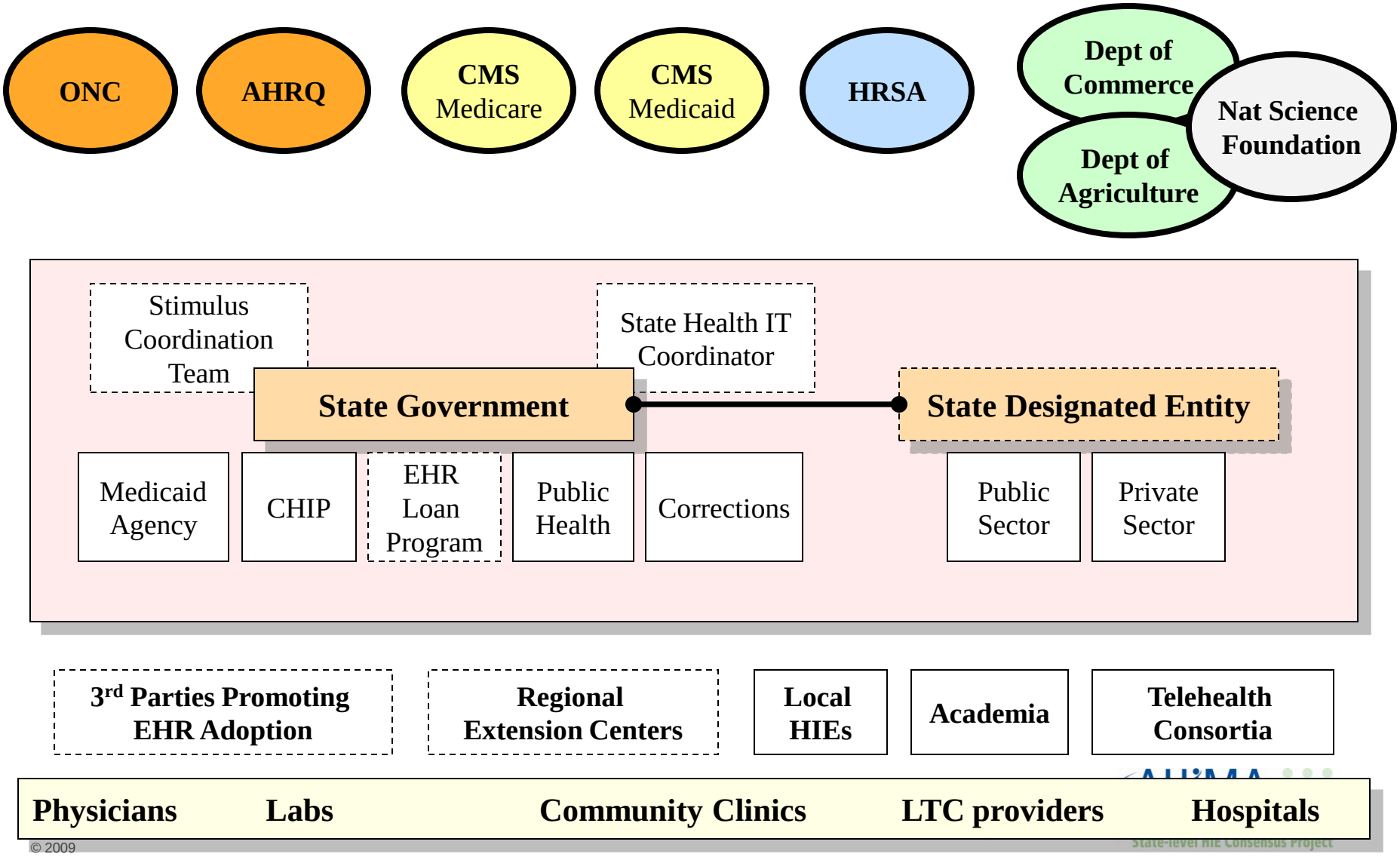
What Constitutes Statewide HIE Governance Structure?

1. **An operative multi-stakeholder public-private governance collaborative**
   - Defined role related to statewide stakeholder engagement, policy, technical infrastructure and HIE business/technical operations

2. **Defined and operational relationships, participation, coordination with state government**
   - HIT Coordinator
   - Agencies especially Medicaid, Public Health

3. **Structured accountabilities and oversight provisions**
   - **Empowerment, authority**
   - **Legal, policy provisions**

HITECH - The Case for Statewide Governance



Key HIE Related Roles and Functions

State Government Executive, legislative, agencies HIE Coordinator**	State level HIE Governance Entity (Government hosted, sponsored, or authorized formal public-private organizational structure)		SLHIE Governance Entity, its Subsidiary, and/or via Contracted HIE Operator
Policy/Oversight/Accountability	**Convening/consensus**	**Coordinating**	**Technical HIE Operations**
Set health policy goals (reform priorities) • HIE as part of policy agenda ***Endorse statewide HIE plan*** • Ensure adequate stakeholder input • Allocate resources ***Statutory/regulatory mechanisms*** • Agency support/ in HIE Plan • incentives for industry HIE participation • Align confidentiality protections • Authorize HIE governance model • Authorize state HIE funding/mech. ***Direct State Agency HIE policy and program development/coordination*** • Medicaid, public health, state employees HIE participation ***Assess progress w/statewide HIE development*** • Monitoring and evaluation • Public reporting ***** HIT Coordinator facilitates internal state government HIT/HIE, HIE policy, liaison to public/private governance***	***Organizational leadership, operations*** • Trusted neutral venue for stakeholder participation • Support board, committee, other public/private stakeholder participation structures • Facilitate stakeholder consensus • Manage finances, business ops ***Expertise, Information, Relationships*** • Monitor and inform re HIE development (all levels) • Forge effective working relationships • Facilitate consumer input and public communication ***Facilitate collaborative development of public policy options to advance HIE*** • Inform agencies/policy makers/stakeholders about needs and opportunities • Provide analysis/ implications of policy options under consideration	***Facilitate statewide HIE implementation*** • Address barriers, mitigation • Lead HIE Plan development implementation ***Facilitate state alignment with interstate, regional, and national HIE strategies*** • Lead/participate in collaborative HIE development initiatives ***Promote standards, consistent HIE policies, practices*** • Diffuse prevailing national standards • Develop consensus for statewide data sharing • Monitor, enforce HIE policies ***Contribute HIE perspectives and expertise to ongoing healthcare reform efforts*** • Foster collaborative public/private approaches to harmonize healthcare quality improvement efforts	***Own or manage contracts for hardware, software, & technical capacity to facilitate statewideHIE:*** • Infrastructural components (e.g., Master Patient Index, Record Locator Service, Interfaces, Data Repositories etc.), • Applications (e.g., Meaningful Use Reporting, Business and Clinical Decision Support, Clinical Systems, etc.), • Services (e.g., implementation guides / supports, standards, workflow optimization, coordination with REC)

Convening - Meaningful Stakeholder Engagement and Consensus Decisions

Objectives

- Build social capital
  - Broad stakeholder support for vision, approach, participation
- Foster empowerment
  - Provide meaningful input and participation in consensus based decision making

Components/Methods

- Accountability
  - Choice of legal entity, relationship to state government
- Governing structure
  - Board: senior leaders, balanced expertise, interests
  - Committees: input to inform board decisionmaking
  - Other input: broad public
- Transparency

Coordination – Cost-effective Approaches

Objectives

- Leverage interests, resources
- Remove barriers to HIE implementation
- Achieve incremental HIE milestones (scale, sustainability, impact)
- Ensure ongoing value for stakeholders/participants
- Ensure consistent, effective compliant HIE practices

Components/Methods

- Structure work groups/processes for active participation by key stakeholders
- Adequate staff, expertise to build/support collaborative processes over time
- Prioritize working partnerships where interests, expertise, resources converge e.g. Medicaid
- Manage expectations

Prevailing Governance Models (3)

- **Variables**
  - Government and private sector relationship
  - Role related to providing/brokering statewide HIE services
  - Varies by degree, mechanism

- **Models**
  1. Government provides governance and HIE operations
  2. Non-governmental entity provides governance and technical operations via government established requirements i.e. a "public utility" like structure with government oversight
  3. Independent non-profit HIO entity provides governance and directly provides or brokers technical operations with government collaboration

Model #1: Government- Provided HIE Governance and Technical Operations

- Public sector directly provides governance and infrastructure for HIE. Options include:

  A) Public Authority: Specific attributes defined in enabling legislation

  - May obtain and issue financing without involvement of main government
  - Entity may hold liability - not the government - depending on the structure

  B) Government Controlled Corporation (GCC): Separate private legal entity

  - Government control by maintaining majority of seats on the board
  - Funding and support structure defined in statute, generally self-sustaining

- Government is directly accountable for the privacy, security, fiscal integrity, interoperability of the system, and for universal access to it
- The DE Health Information Network is a Public Authority serving as the statewide HIE organization, both overseeing and providing HIE services

Relative Pros and Cons

- **Potential Advantages**
  - May help small states or those states with limited ability to leverage investments from the stakeholders across the health sector.
  - Potential to use existing state government infrastructure, resources, and privacy policies to implement HIE services
  - Option to avoid issues among multiple private sector HIOs with unresolved competitive challenges, concerns about multiple entities managing health record data, liability issues
  - Potential for more ready access to public financing options
- **Potential Disadvantages**
  - **State budgets**: Economic and state budgetary constraints can potentially derail HIE development efforts and weaken resource supports for effective statewide governance activities.
  - **Politics:** Political influences may impede the multi-sector, multi-stakeholder coordination and collaboration required as part of effective statewide HIE governance
  - **Bureaucracy:** Slow political and public agency processes may impede levels of flexibility required as governance structure and HIE development needs evolve, especially in response to changes in health care policy at the federal and state levels.
  - **Procurement:** State Government control and agency processes may inhibit procurements, and private sector investments and innovations related to the adaptation of new HIE business models.

Model #2: Non-governmental Governance and Technical Operations via Structured "Public Utility" like relationship

- State formally authorizes and sets structural requirements for a non-governmental organization or "state designated entity" (SDE) non-profit organization to design, own, and operate statewide HIE governance and technical operations.
  - Permit operational autonomy for private sector non-profit operations to carry out implementation of statewide HIE system infrastructure.
  - Financing/ influence "rates"
  - Policy development
    - Universal access will be an important regulatory responsibility
  - Provide ongoing monitoring of the industry to assure appropriate charges for designated services and transparency

- Examples: The Rhode Island Department of Health and the New York Department of Health are formalizing regulatory structures for HIE in their states

Relative Pros and Cons

- **Potential Advantages**
  - Takes advantage of an HIO entity with expertise and "social capital" among diverse stakeholders to develop and operate HIE governance and technical operations.
  - Allows the use of private capital to finance the HIO activities.
  - Takes advantage of potential government economic regulatory functions to leverage performance, establish rewards and finance system upgrades

- **Potential Disadvantages**
  - **Political processes and timelines** must be navigated to establish formal government requirements. This may impede the speed with which statewide HIE governance and operations can be established.
  - **Private sector will and capital** must be mobilized to assure adequate investments in a sustainable and effective HIE organizational infrastructure.
  - **Provisions for oversight/default**: State government must provide adequate ongoing oversight and be prepared to intercede if private sector organizational capacity were to fail

Model #3 Independent Non-Profit HIE Governance and Technical Operations with Government Collaboration

- **Voluntary organizational structures and relationships**
  - An independent, non-profit organization operates according to a defined statewide mission and organizational parameters to serve as a statewide HIE governance entity. In some cases, the organization may also provide technical operations.
  - Public sector participates in private HIE governance, exerting limited 'control' through financial and market based mechanisms
- **Government acts in an advisory role**
  - Accountability for privacy and security is a function of both governmental regulation and private sector self-regulation
  - Accountability for universal access and interoperability may be encouraged by incentives, market forces (including accreditation and certification), and the threat of regulation
- **Separate private corporation/organization with state government holding board of directors seat**
  - May be statutorily sanctioned or "deemed" by a public agency to drive participation by stakeholder groups and serve as the "State Designated Entity"
- **Multiple state governments are currently participating with private sector electronic HIE efforts**

Relative Pros and Cons

Potential Advantages

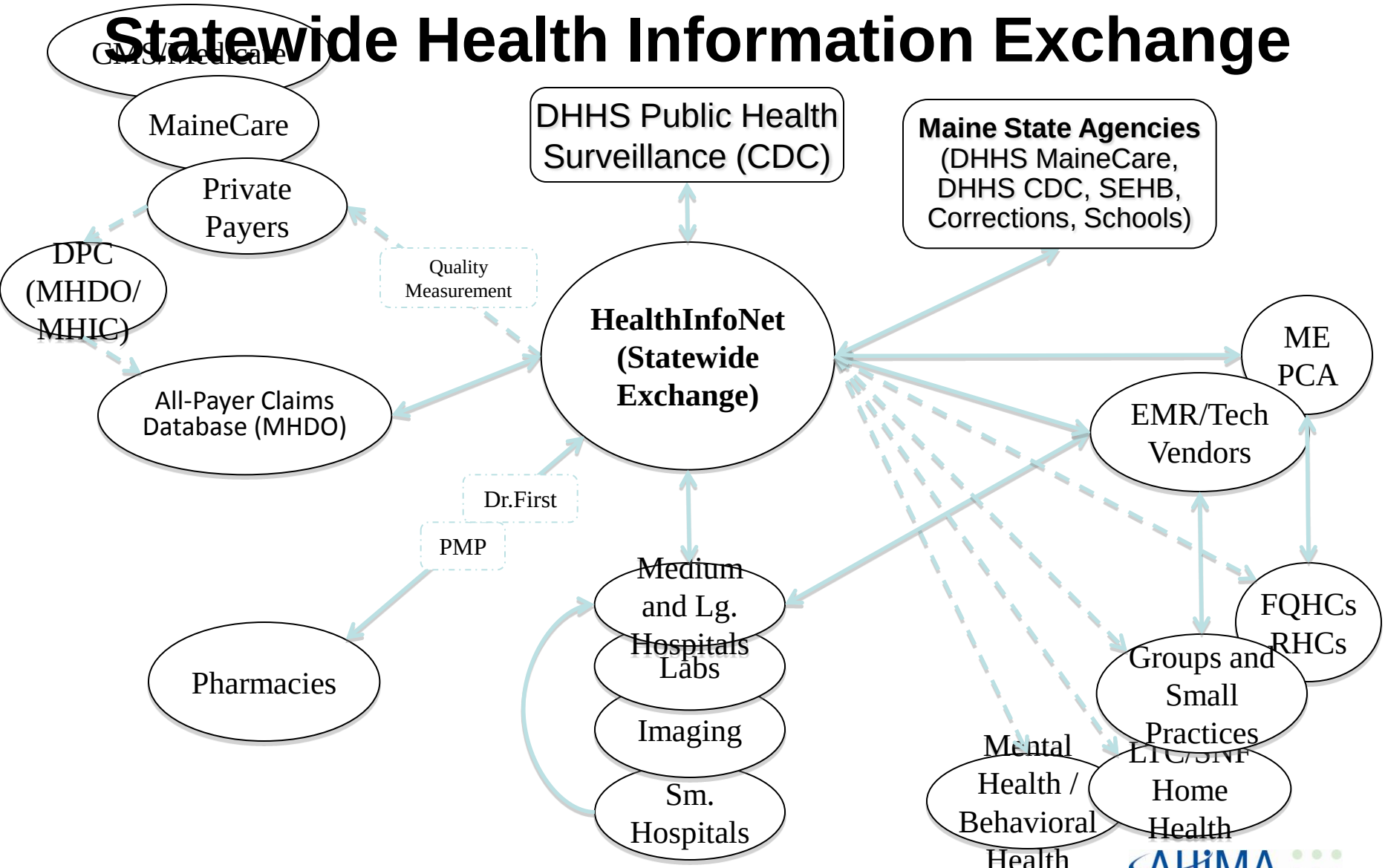
- Builds upon established relationships and stakeholder investments in states where established multi-stakeholder HIE organizations are active and successful
- Allows for both public and private sector inputs and accountability functions
- Promotes innovation in both private and public sectors

Potential Disadvantages

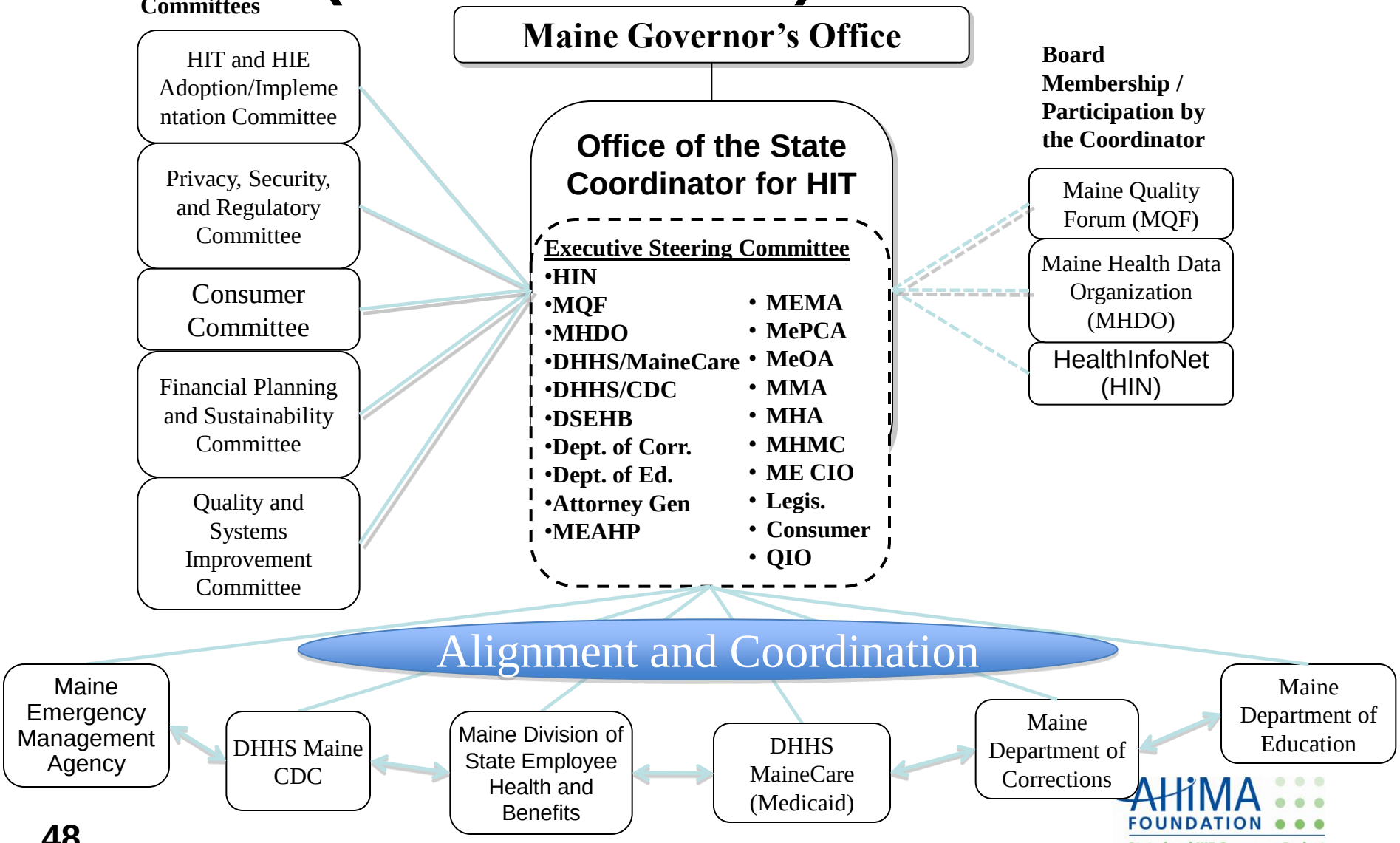
- Success will require private and public/private sector HIEs to police themselves (evidence of strong self-regulation in other industries is not consistent)
- State funding will impact its ability to participate in the governance of any private sector HIE organizations
  - RI and MA government officials had to remove themselves from boards of HIOs due to funding conflicts
- Should the HIE fail after receiving public investments the govt's role is unclear
- Sustainable business models for HIE are currently lacking

Example 1: Maine HIT and HIE Governance Model

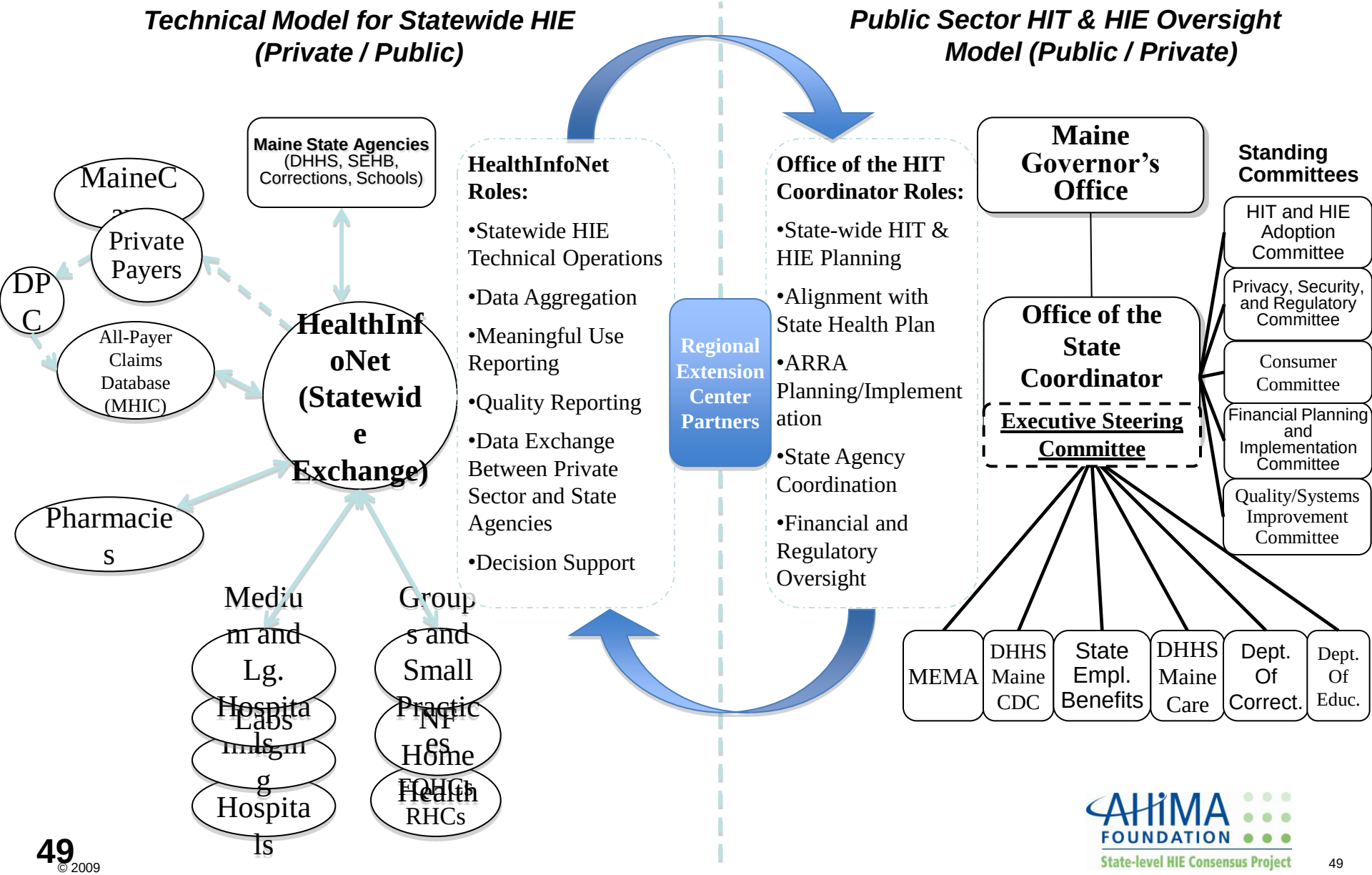
Technical and Operating Model for Statewide Health Information Exchange



Public Sector HIT & HIE Oversight Model (Public / Private)



Maine HIT Governance Structure



Delaware Health Information Network Governance Model

DHIN Vision

Develop a network to exchange real-time clinical information among all health care providers (office practices, hospitals, labs, and diagnostic facilities) across the state to improve patient outcomes and patient-provider relationships, while reducing service duplication and the rate of increase in health care spending

DHIN Governance

- Created statutorily in 1997 as a public instrumentality (Public Authority) of the State of Delaware
  - To advance the creation of a Statewide health information and electronic data interchange network for public and private use
  - To be a public-private partnership for the benefit of all citizens of Delaware
  - To address Delaware's needs for timely, reliable, and relevant health care information
- Managed by a Board of Directors

Board Composition

- At least 13 and not more than 21 members
- Representative of the public-private and diverse nature of DHIN
- The Board Chairperson elected by a majority of members
- Board Appointments:
  - Delaware Health Care Commission (6 members at-large)
  - Delaware health insurers (3 members0
  - Delaware Healthcare Association (3 members)
  - Medical Society of Delaware (3 members)
  - Delaware State Chamber of Commerce (1 member)
  - State Budget Director (1 member)
  - Insurance Commissioner (1 member)
  - Secretary of Health and Social Services (1 member)
  - Director of Public Health (1 member)
  - Department of Technology and Information (1 member)

Private Sector Board Members

- Consumer
- Aetna
- Blue Cross Blue Shield of Delaware
- Hospitals
- Physicians
- Delaware State Chamber of Commerce
- Bank of America

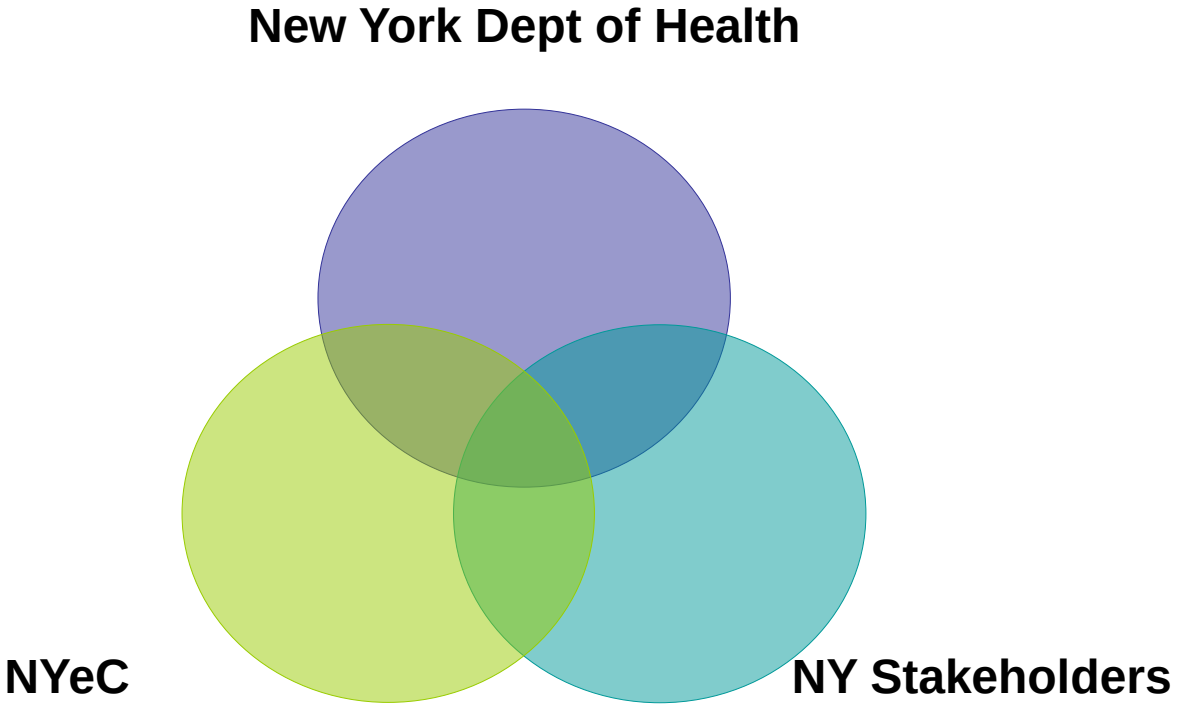
DHIN Management Structure

Subject to:

- Public Meetings
- Freedom of Information Act

New York Governance Model

Governance of HIT and HIE through Public-Private Partnership



**GOVERNANCE MODEL IS "THE SECRET SAUCE"
THAT MAKES NEW YORK STATE APPROACH SUCCESSFUL**

Stated Building Blocks
NY Health IT Strategy

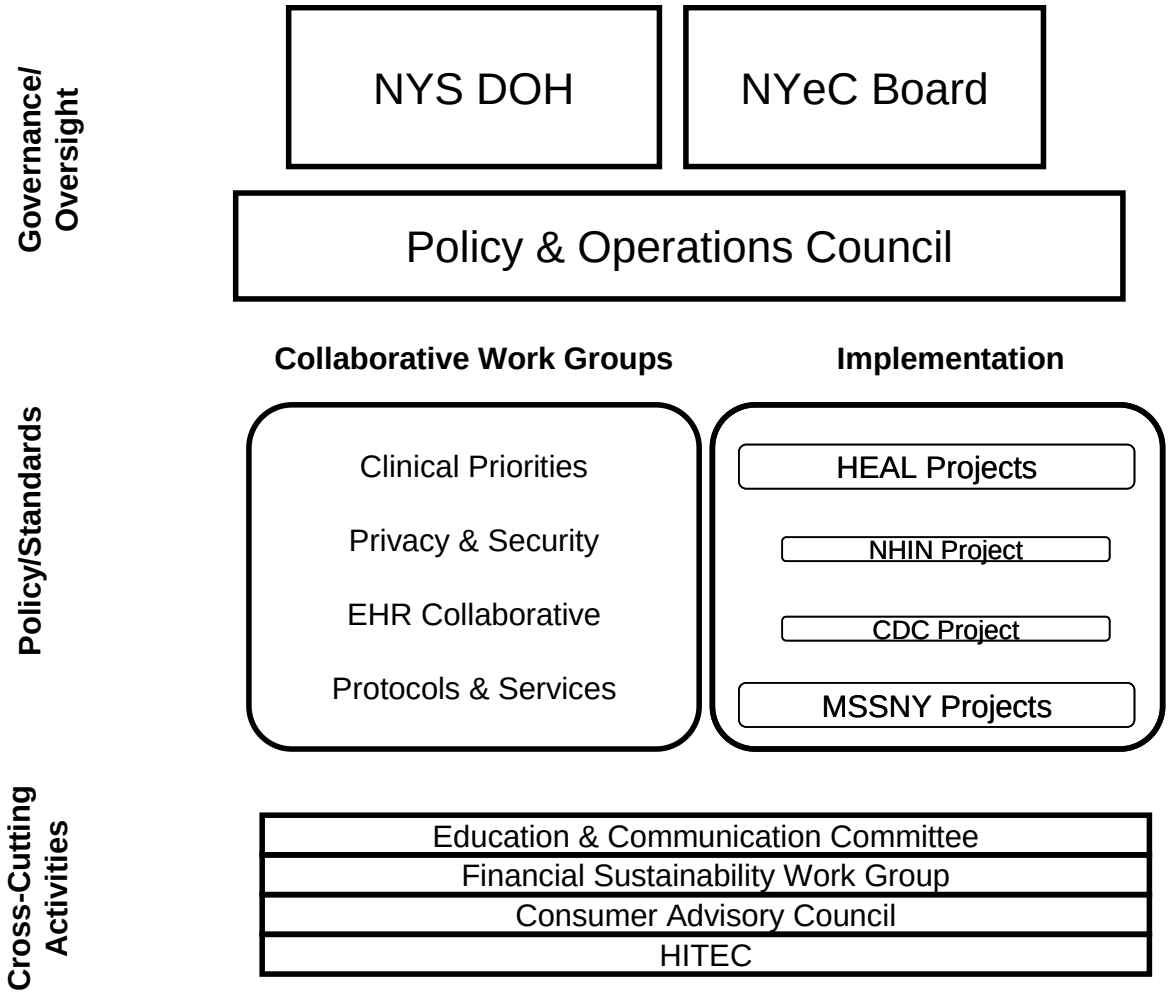
- Promote collaboration at state and regional levels
- Support development of RHIOs
- Link to national strategy and standards (focus on interoperability)
- Use infrastructure to expand reach, lift all boats
- Privacy and security are essential to public trust
- Support strategic uses of health IT – high-yield benefits from reducing inappropriate utilization and increasing use of preventive services
- Sustainability hinges on payer involvement

New York eHealth Collaborative (NYeC) Goals

- NYeC will galvanize health care systems improvement by promoting broad use of health information technology through a comprehensive and coordinated state policy agenda that:
  - *Stimulates coordinated and collaborative efforts* among health care stakeholders to identify and overcome barriers to widespread HIT adoption and use to *enhance evidence-based practice by clinicians, as well as consumer engagement in health maintenance and management*
  - Advances health care *performance measurement, public reporting and improvement* supported by HIT
  - *Improves public health* through effective prevention and management of chronic disease, as well as stronger public health surveillance and emergency response capabilities
  - *Ensures accountability* by measuring and evaluating HIT impact on health care systems, payers, providers, and consumers

Statewide HIE Governance

Relationships/Accountability in New York



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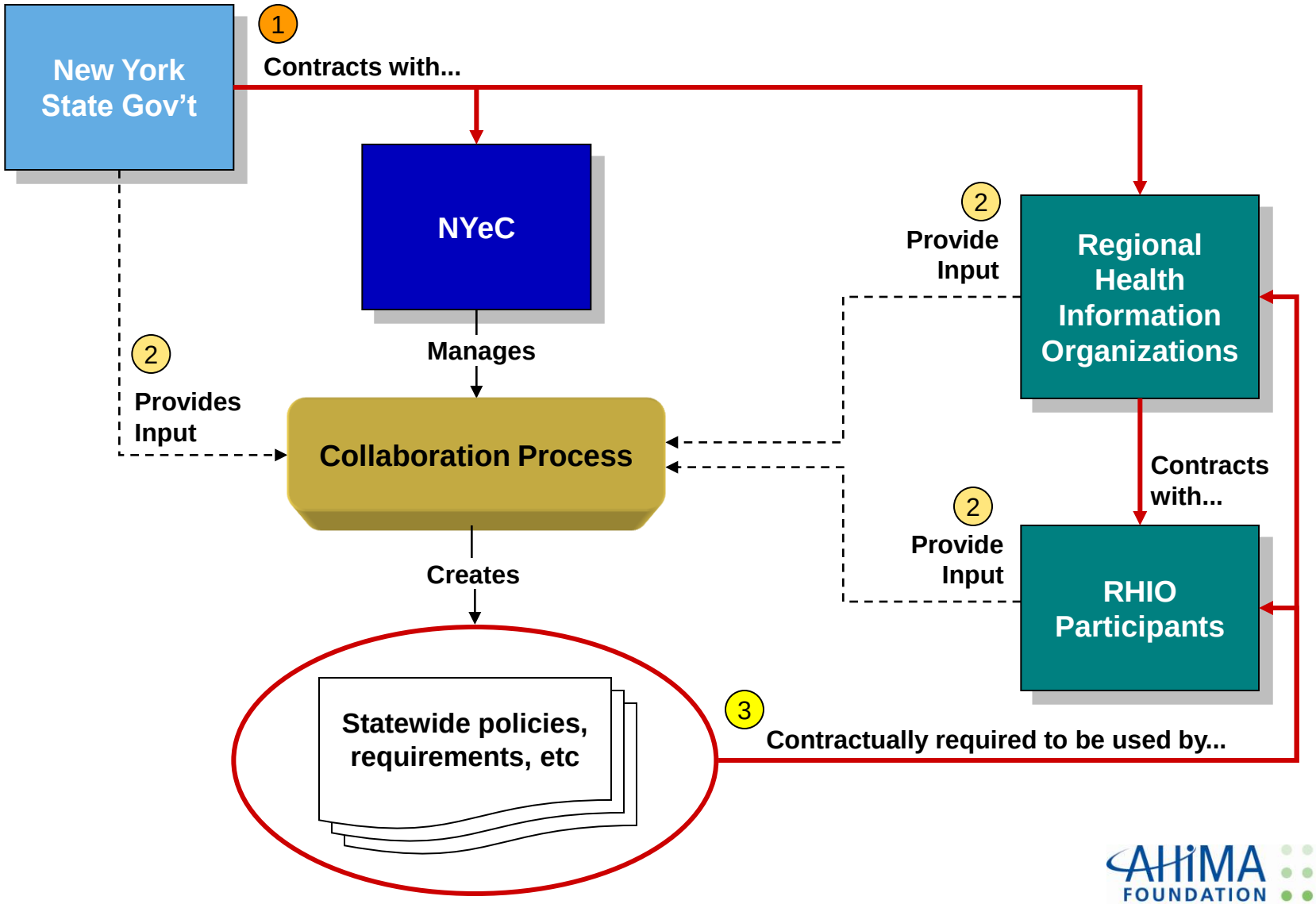
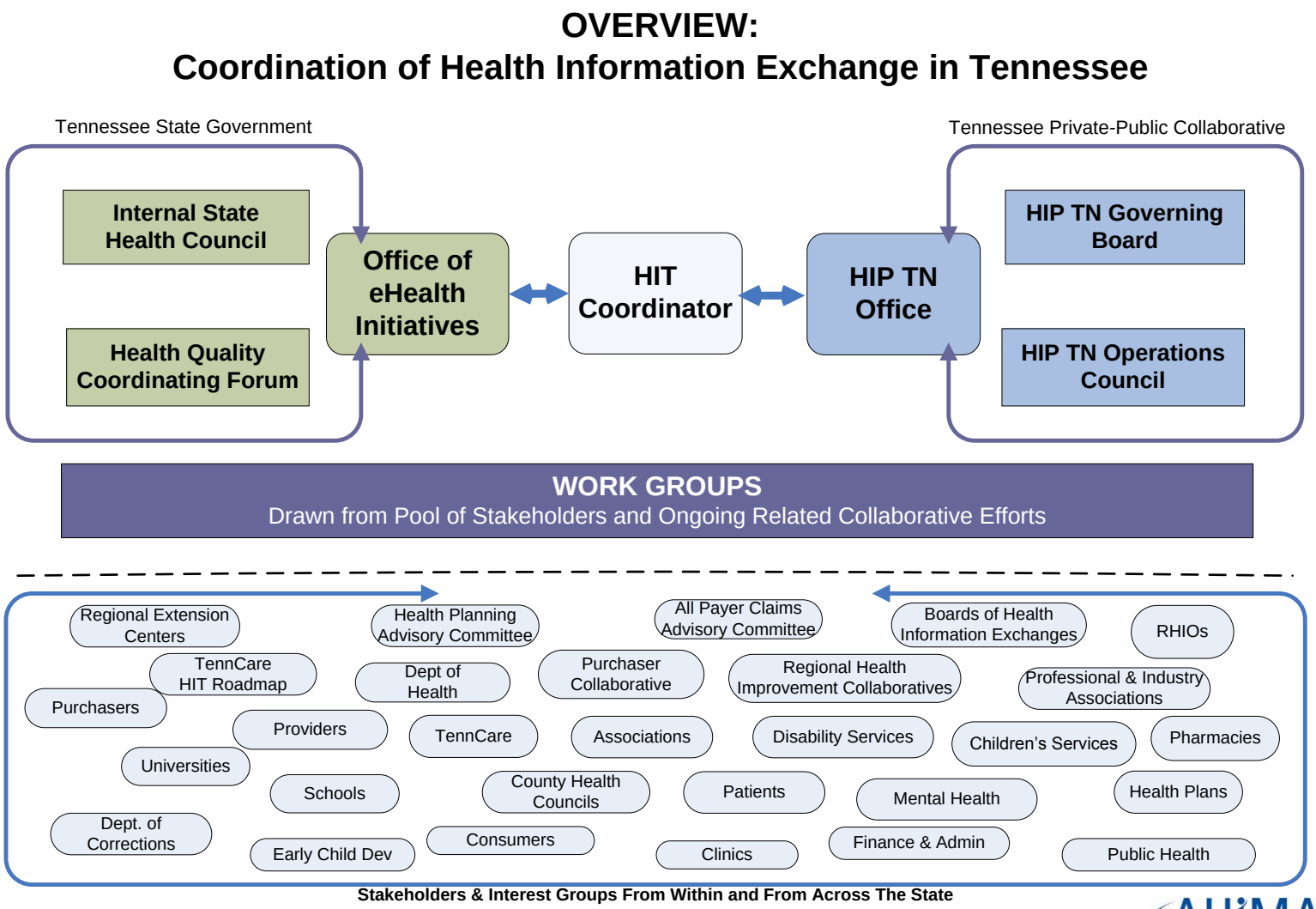
Relationships/Accountability in New York

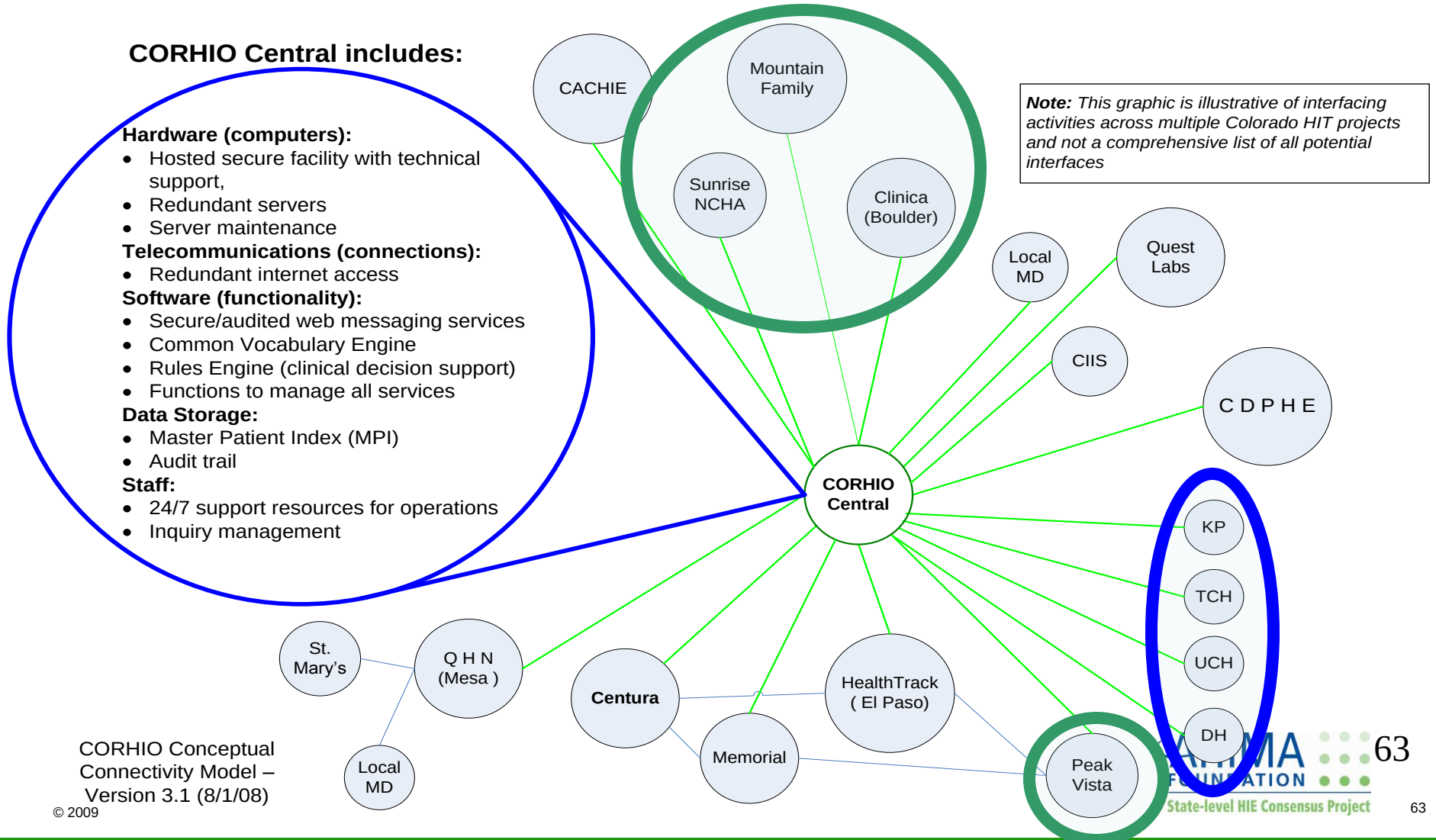


Additional Example - Tennessee



Source: TN State HIE Program Application, Oct 2009

Additional Example - Colorado



CORHIO Conceptual Connectivity Model – Version 3.1 (8/1/08)

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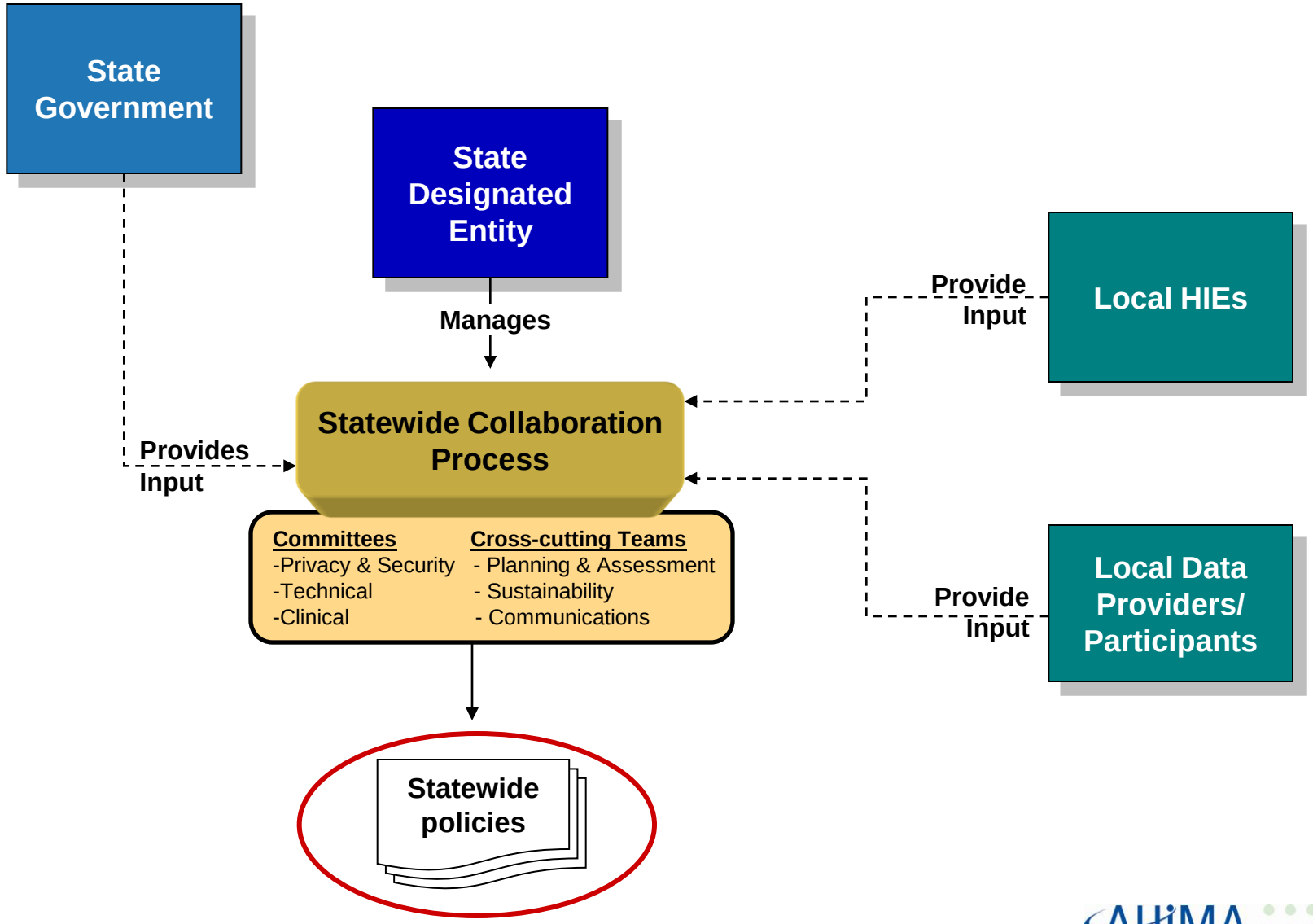
Colorado - SDE Collaborative Framework



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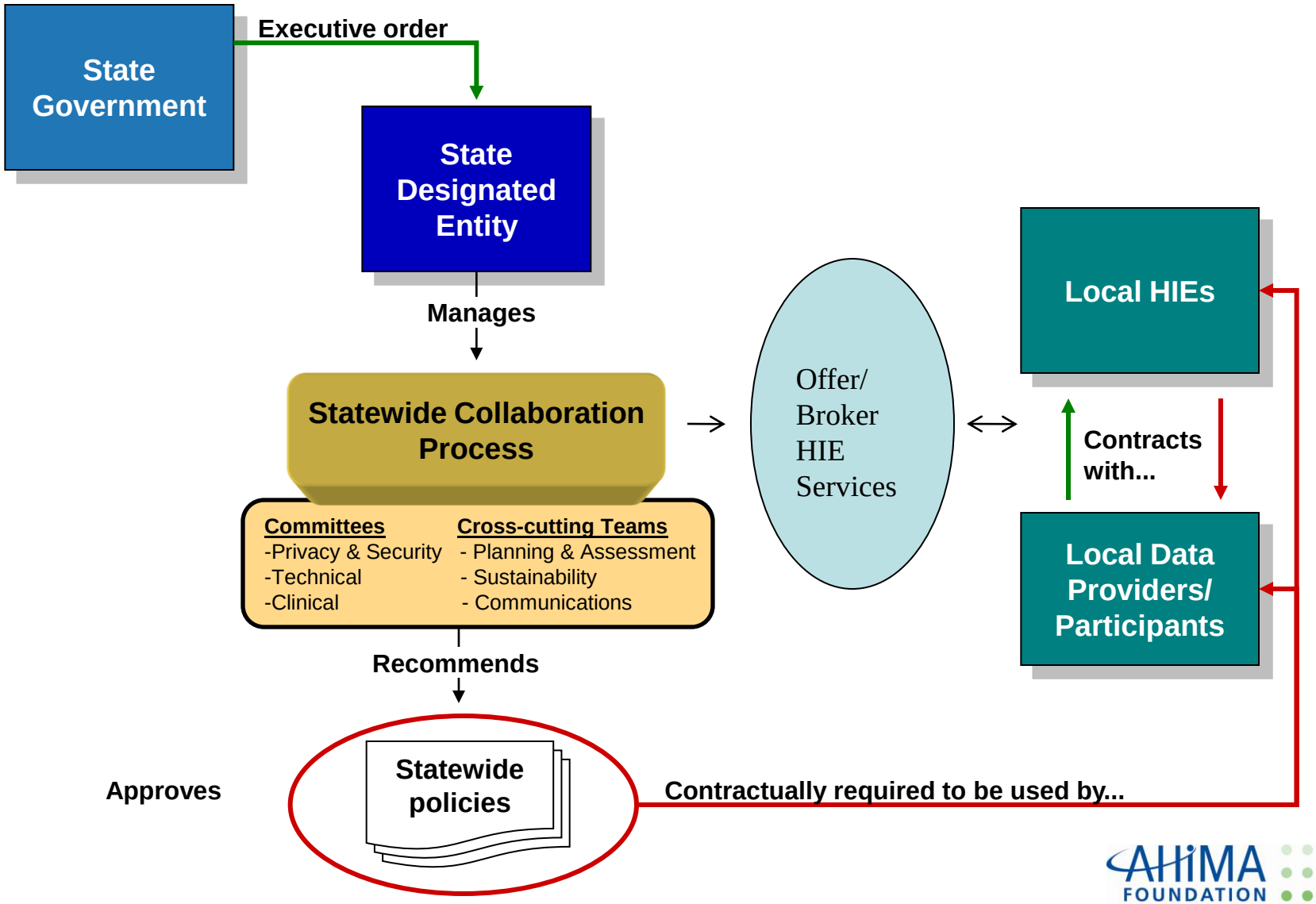
Accountability Flows - CORHIO



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Lessons Learned from States' Experiences

- Evaluating the relative pros and cons of various approaches to establishing governance
  - Take into account the existing landscape and cultural preferences for an approach to how roles and relationships are defined within a state.
  - An invaluable foundation for successful HIE development is "social capital" - stakeholder investment in the vision, mission and approach to achieving HIE implementation.

Structuring Accountabilities

- **Approach is key to establishing broad (and sustainable) statewide HIE infrastructure**
  - Establishing incentives and/or requirements to impact behavior across the marketplace and health landscape (i.e. drive market demand and business practices)
  - Linked to approaches across the HIE infrastructure domains

- **Deploying mechanisms for structuring HIE accountabilities and the governance structure**
  - Political Process: Government accountability to the public
  - Legislation: Defines authorities and responsibilities (rigid and slow to change)
  - Executive Orders: Executive branch action
  - Regulation: Protecting the public interest; enforcement of minimum standards
  - Contracts: Negotiated; specific details of scope, timeline, and responsibilities
  - State transparency, finance, and ethics laws
  - Accreditation/Certification (Voluntary/Sanctioned): Self imposed; independent review; self regulatory process improvement; expensive
  - Private Rights of Action: Consumer initiated recourse
  - Free Market: Market incentives; data incentives; threat of regulation

Evolution and Variables

- Governance model will evolve, be impacted by state's characteristics, strategy and stages of development e.g.
  - Technical architecture – enterprise plan
    - Scope of role related to technical operations
    - Staff/expertise required
    - Marketplace complexity
  - Financing
    - Need sustainable support for governance as part of business model

Steps to Building Operational Governance

- **Accountability framework**
  1. Set Public policy goals (targets for HIE, impacts)
  2. Set requirements related to HIE (e.g. use of standards, privacy protections, endorse State plan, milestones)
  3. Define organizational accountabilities (empower governance entity)
  4. Identify oversight mechanisms (reporting, audit, etc)

- **Governance body**
  1. Choice of legal entity (plan for interim, permanent)
  2. Leadership (expertise/vision, build relationships, business savvy)
  3. Stakeholder engagement, processes for input and consensus
  4. Organizational policies, structures, processes
  5. Data sharing policies
  6. Business operations, provisions for technical operations
  7. Oversight mechanisms

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Key Factors to Consider

- Access to adequate staffing, expertise
- Procurement process efficiency
- Ability to manage competing financial priorities and ensure maintenance of effort
- Ability to achieve credible participation in decision making by both public and private stakeholders
- Incubation from disruptive political changes
- Ability to blend public and private resources, matching funds
- Flexibility to respond to the evolving HIE landscape e.g. changing marketplace conditions, advances in the HIE industry and continued evolution in nationwide HIE infrastructure development

Arkansas Threshold Issues – Key Examples

Threshold Issue	Considerations
1. Technical Infrastructure (Role of RHIOs and Local HIEs)	✓ Will RHIOs be a required or optional component of statewide HIE?
2. Governance & Technical Operations	✓ Should the role of governance be separated from the role of technical operations of the HIE?
3. Key Tasks and Functions	✓ What are the primary functions of the governance entity?
4. Accountability Mechanisms	✓ What mechanisms /processes should be used to ensure oversight of the exchange of health information? e.g. contracts with incentives for adherence & penalties for non-adherence? ✓ State gov't regulatory oversight mechanisms? ✓ Voluntary enforcement models, including accreditation?

Key Threshold Issues

Threshold Issue	Considerations
Structure of Governance Entity	✓Should the governance entity exist as an extension of Maryland state government (i.e., an advisory body) or as an independent organization?
Composition of the Governance Entity	✓What should the membership categories be for the statewide HIE governance entity?
Governance Process	✓ What is the framework for supporting collaboration? ✓What are relationships and accountabilities within the governance process?
Creating the Governance Entity	✓How will the statewide governance entity be created ?